
The legislative instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Alan Miller.

CONFERENCE COMMITTEE REPORT DIGEST

Senate Bill No. 228 by Senator Duplessis

Keyword and summary of the bill as proposed by the Conference Committee

CONSUMERS/PROTECTION. Provides relative to credit reporting security. (8/15/10)

Report adopts House amendments to:

1. Clarify that a request may be submitted electronically by secure website regarding placing, temporarily lifting, or removing a security freeze.
2. Change the amount of time to place, temporarily lift, or remove a security freeze by telephone or electronically by secure website from 15 minutes to 24 hours.
3. Restore present law regarding causes of actions.
4. Provide that a credit reporting agency is not required to act on a security freeze if the consumer commits or attempts to commit a fraud or misrepresentation.

Report rejects House amendments which would have:

1. Provided that a consumer whose minor child has a credit report that is subject to proposed law would have the authority to exercise, on behalf of the minor child, all rights afforded to a consumer pursuant to proposed law. (Constitutional Defect: A new Subsection was added by House Floor Amendments which was not referenced in the Bill Title or the Section introductory language.)

Report amends the bill to:

1. No amendments.

Digest of the bill as proposed by the Conference Committee

Present law requires a consumer to request a security freeze on his credit report by written request sent by certified mail to the credit reporting agency.

Proposed law retains present law, but also allows for a consumer to request a security freeze on his credit report by standard mail, a telephone call, or electronically by secure website.

Present law requires a credit reporting agency to place a security freeze on the consumer's credit report no later than 10 business days after receiving a written request for the security freeze from the consumer.

Proposed law shortens the requirement in present law from 10 business days to five business days for the credit reporting agency to place a security freeze on the consumer's credit report after receiving a written request by the consumer. If the credit reporting agency receives the request electronically or by telephone, it must comply with the request within 24 hours of receiving the request.

Present law requires that the credit reporting agency provide the consumer with a unique PIN or password to be used by the consumer when providing authorization for the access to his credit file for a specific period of time, no later than 10 business days after the date the agency receives the request for a security freeze.

Proposed law shortens the time required for providing the consumer with a unique PIN or password from 10 business days to five business days.

Present law authorizes the credit reporting agency to develop procedures involving the use of telephone, fax, the Internet, or other electronic media to receive and process a request from a consumer to temporarily lift a freeze on a credit report or score in an expedited manner, pursuant to present law.

Proposed law repeals present law and requires the credit reporting agency that receives a request electronically or by telephone to temporarily lift a freeze on a credit report or score to comply within 24 hours of receiving the request.

Proposed law provides that a credit reporting agency is not required to place, remove, or temporarily lift a security freeze within the time periods provided in proposed law, only for such time as the occurrences prevent compliance, if any of the following occurrences apply:

- (1) The consumer fails to provide information required by proposed law or commits or attempts to commit a fraud or misrepresentation.
- (2) The credit reporting agency's ability to place, remove, or temporarily lift the security freeze within 24 hours is prevented by any of the following circumstances:
 - (a) An act of God, including fire, earthquakes, hurricanes, storms, or similar natural disaster or phenomena.

- (b) Unauthorized or illegal acts by a third party, including terrorism, sabotage, riot, vandalism, labor strikes or disputes disrupting operations, or similar occurrence.
- (c) Operational interruption, including electrical failure, unanticipated delay in equipment or replacement part delivery, computer hardware or software failures inhibiting response time, or similar disruption.
- (d) Governmental action, including emergency orders or regulations, judicial or law enforcement action, or similar directives.
- (e) Regularly scheduled maintenance, during other than normal business hours, of, or updates to, the credit reporting agency's systems.
- (f) Commercially reasonable maintenance of, or repair to, the credit reporting agency's systems that is unexpected or unscheduled.

Effective August 15, 2010.

(Amends R.S. 9:3571.1(M), (N), (O), (R) (intro para), (S), and (U)(intro para); adds R.S. 9:3571.1(Z))